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Deals added this week - 733

Total deal value - \$45.98 bn

Avg. deal size - \$128.80 m

## Catalyst sells \$163.5m of East Coast industrial outdoor storage properties

The firm had purchased the bulk of the portfolio with its first fund dedicated to the asset class.

Sarah Marx - 2 hours ago

Industrial • North America

<u>Catalyst Investment Partners</u> has sold 18 industrial outdoor storage properties valued at \$163.5 million to a large US state pension fund, *PERE Deals* can reveal.

The New York-based investment firm acquired the properties over the past four years on behalf of <u>Catalyst IOS Fund I and II</u>.

The first fund had a total of 20 investments and is fully deployed. Seventeen assets for the transaction came from Fund I, leaving the vehicle with three assets, according to a source familiar with the matter.

The second vehicle was launched in October 2022 and held a final close in January 2024 on \$186.9 million of commitments – <u>oversubscribed</u> from its \$150 million target – the source said.

As of now, the value-add fund owns 70 properties, only one of which was part of the portfolio sold to the pension fund. The manager is still deploying capital on behalf of that vehicle.

The properties, spanning seven East Coast markets, are leased to a mix of tenants in sectors including equipment rental, e-commerce, logistics, home services, building materials and infrastructure. Catalyst will retain management of the assets following the sale, according to a statement provided to *PERE Deals*.

Typically, IOS refers to land that is zoned for industrial use where a tenant would have outdoor storage requirements, such as vehicles, equipment or containers. Truck facilities are also considered IOS properties and typically take up between two and 10 acres of land, with a small building on it.

The asset class is in a period of rapid maturation as institutional capital becomes increasingly comfortable with the sub-sector despite a lack of broadly accessible market data. In August, Fortress Investment Group <u>completed</u> the first refinance of an IOS portfolio with a commercial mortgage-backed securities loan, a deal that marked a new level of comfort with IOS from lenders.

"IOS portfolios are in high demand from a wide range of institutional LPs, including pension funds, sovereign wealth funds, public and private REITs, and insurance companies," Max Heiden, co-founder and partner of Catalyst Investment Partners, said in the statement. "These transactions represent the further maturation of the IOS marketplace and we are fortunate to be among a few companies driving this sector forward."

In the last four years, Catalyst has raised approximately \$400 million of equity on behalf of its two funds and separate accounts to invest in IOS. Investors include state pensions, endowments, foundations and family offices.

Catalyst has more than \$500 million of assets under management, according to its					
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